

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
INBOUND EMS 2
(MC2009-10)

Docket No.
CP2018-287

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING CHANGES IN
RATES NOT OF GENERAL APPLICABILITY FOR INBOUND EMS 2, AND
APPLICATION FOR NON-PUBLIC TREATMENT**
(August 13, 2018)

In accordance with 39 C.F.R. § 3015.5, the United States Postal Service (Postal Service) hereby gives notice of a change in rates not of general applicability for Inbound EMS 2, to be effective January 1, 2019, if approved by the Postal Regulatory Commission (Commission). The Postal Service must give notice of these new rates to the Universal Postal Union (UPU) by August 31, 2018, and, therefore, respectfully requests Commission approval by Tuesday, August 28, 2018.

Prices and classifications not of general applicability for Inbound EMS 2 were previously established pursuant to the Decision of the Governors of the United States Postal Service on the Establishment of New Prices and Classifications for Inbound Express Mail International (EMS), issued on November 3, 2008 (Governors' Decision No. 08-20), and prices were subsequently authorized by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued on March 22, 2011 (Governors' Decision No. 11-6). The

Commission previously determined that Inbound EMS 2 is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.¹

Subsequently, the Commission reviewed changes in rates not of general applicability for Inbound EMS 2 effective each January 1 from 2010 through 2018 (except 2017, for which the Postal Service did not seek to change rates from 2016).² With this filing, the Postal Service notifies the Commission of changes to Inbound EMS 2 rates that are intended to take effect January 1, 2019.

Governors' Decision No. 11-6, the proposed new rates, the service performance data, and supporting documents establishing compliance with 39 U.S.C. § 3633(a)(2) and 39 C.F.R. § 3015.5 are being filed separately under seal with the Commission in unredacted form. The Postal Service's Application for Non-public Treatment of those materials is included with this Notice as Attachment 1. A redacted version of the new rates is included as Attachment 2. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is included as Attachment 3. A redacted copy of Governors' Decision No. 11-6 is included as Attachment 4. In accordance with Commission Order Nos. 2140 & 2656, the Postal Service is also providing as Attachments 5 and 6, respectively,

¹ PRC Order No. 162, at 8.

² PRC Order No. 281, Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, Docket No. CP2009-57, August 19, 2009; PRC Order No. 523, Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, Docket No. CP2010-90, August 23, 2010; PRC Order No. 806, Order Approving Changes in Rates for Inbound International Expedited Services 2, Docket No. CP2011-66, August 16, 2011; PRC Order No. 1456, Order Approving Rate Changes For Inbound International Expedited Services 2, Docket No. CP2012-52, August 30, 2012; PRC Order No. 1822, Order Approving Rate Changes For Inbound International Expedited Services 2, Docket No. CP2013-77, August 30, 2013; PRC Order No. 2140, Order Adding Changes in Rates Not of General Applicability for Inbound EMS 2, Docket No. CP2014-58, August 1, 2014; PRC Order No. 2656, Order Approving Changes in Rates Not of General Applicability for Inbound EMS 2, Docket No. CP2015-117, August 12, 2015; PRC Order No. 4081, Order Approving Changes in Prices Not of General Applicability for Inbound EMS 2, Docket No. CP2017-271, August 30, 2017.

redacted copies of the most recent annual EMS Pay-for-Performance (“PfP”) Plan available (for 2018), plus the most recent available annual and quarterly PfP Report Cards (for CY2017 and for the first two quarters of CY2018). The annual report card provides the basis for any PfP penalties incurred. Moreover, to illustrate compliance with 39 U.S.C. § 3633, the Postal Service has shown in the accompanying financial spreadsheets a scenario for cost coverage which would provide the maximum discount to all foreign posts.³

For the new rates for Inbound EMS 2 for which the Postal Service seeks approval to take effect in 2019 (and of which the Postal Service must give notice to the UPU by August 31), and as shown in Attachment 2, on a contractual basis the Postal Service would be able to offer certain discounted inbound EMS rates below the base rate to any of the foreign postal operators with which it exchanges EMS, regardless of whether or not that operator were a PfP member. The Commission would transparently know which foreign postal operators have, in fact, entered into such bilateral contracts and would know what EMS discounted rates apply to each, because the Postal Service would file those contracts with the Commission (and with the Department of State) pursuant to 39 U.S.C. § 407(d)(2).

With the financial documentation that accompanies this Notice, the Postal Service provides the following with respect to the proposed new EMS rates:

³ The Postal Service further notes that, in declaring unilaterally its rates each year with the UPU, the Postal Service may reserve the right to impose inbound EMS rates reciprocally when another country’s inbound EMS rates for U.S. origin EMS shipments exceed the Postal Service’s announced rates. This contingency could result in the Postal Service increasing the rates charged to certain foreign EMS operators from the unilaterally set rates, which would have only favorable impacts on the cost coverage for Inbound EMS 2.

- The SDR conversion rate to U.S. dollars used for the cost coverage analysis was 1 SDR is equal to \$1.40 USD.⁴
- The estimated cost coverage is shown in the accompanying financial information. The financial information and the attached certification show that the Inbound EMS 2 product should cover its attributable costs, preclude the subsidization of competitive products by market dominant products, and not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Confidentiality

The Postal Service maintains that the redacted portions of the Governors' Decision, service performance data, the new rates, and related financial information should remain confidential. The Postal Service provides its Application for Non-public Treatment of materials filed under seal as Attachment 1.

⁴ This conversion rate is based on the publication of the SDR value by the International Monetary Fund (IMF) on August 7, 2018. The conversion rate at the time of settlement may vary based on the IMF value of the SDR at time of settlement.

Conclusion

For the reasons discussed above, and on the basis of the supporting information filed under seal, the Postal Service has established that these new Inbound EMS 2 rates are in compliance with the requirements of 39 U.S.C. § 3633(a)(2). Accordingly, the Postal Service respectfully submits that it has met its burden of providing notice to the Commission of changed rates within the scope established by Governors' Decision No. 11-6, as required by 39 U.S.C. § 3632(b)(3), and that these proposed new rates for Inbound EMS 2 should be approved effective January 1, 2019, because they meet all necessary statutory and regulatory requirements. The Postal Service respectfully requests Commission approval of these rates no later than August 28, 2018, such that the Postal Service may give notice to the UPU of these new EMS rates by August 31, 2018.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
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August 13, 2018

**APPLICATION OF THE UNITED STATES POSTAL SERVICE
FOR NON-PUBLIC TREATMENT**

In accordance with 39 C.F.R. Part 3007, the United States Postal Service (Postal Service) hereby applies for non-public treatment of certain materials filed with the Postal Regulatory Commission (Commission) in this docket. The materials pertain to the Inbound EMS 2 rates which will be effective on January 1, 2019. The unredacted rates, Governors' Decision, service performance data, and financial work papers used to demonstrate compliance with 39 C.F.R. § 3015.5(c)(1) are being filed separately under seal with the Commission. Redacted copies of these materials are filed publicly, including a redacted version of supporting financial documentation filed as a separate Excel document.

The Postal Service furnishes the justification for this application required by 39 C.F.R. § 3007.201 below.

(1) The rationale for claiming that the materials are non-public, including the specific statutory provision(s) supporting the claim, and an explanation justifying application of the provision(s) to the materials;

Information of a commercial nature, which under good business practice would not be publicly disclosed, as well as third party business information, is not required to be disclosed to the public. 39 U.S.C. § 410(c)(2); 5 U.S.C. § 552(b)(4). The Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment

competing in commercial markets. 39 U.S.C. § 504(g)(3)(A).¹ Because the portions of materials filed non-publicly in this docket fall within the scope of information not required to be disclosed publicly, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the non-public materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of [39 C.F.R. § 3007.201] (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual;

In the case of Inbound EMS 2, the other members of the EMS Cooperative of the Universal Postal Union may have a proprietary interest in the materials. Due to language and cultural differences as well as the sensitive nature of the Postal Service's rate relationship with the affected foreign postal operators, the Postal Service proposes that a designated Postal Service employee serve as the point of contact for any notices to the relevant postal operators.² The Postal Service identifies as an appropriate contact person Mr.

¹ In appropriate circumstances, the Commission may determine the proper level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A). The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 4679, Order Adopting Final Rules Relating to Non-Public Information, Docket No. RM2018-3, June 27, 2018, at 16 (reconfirming that the adopted final rules do not alter this long-standing practice); PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, March 20, 2009, at 11.

² 39 C.F.R. § 3007.201(b)(2)(ii) provides that, where a third party's identification is "sensitive or impracticable," another individual may be designated to provide notice to the third party as applicable. Under the present circumstances in which the third parties are foreign postal operators that are based abroad to conduct their business, it is impracticable to identify one individual who can receive and accept future notices of U.S. motions, subpoenas, or orders

Alfred Rodriguez, Jr., USPS Global Business. Mr. Rodriguez's phone number is (202) 268-5022, and his email address is alfred.rodriguez@usps.gov.

The Postal Service provided notice to all foreign postal operators within the Universal Postal Union network through an International Bureau Circular issued on December 18, 2017, that the Postal Service will be regularly submitting certain business information to the Commission. The circular includes information on how third parties may address any confidentiality concerns with the Commission. In addition, contact information for all UPU Designated Operators is available at the following link, which is incorporated by reference into the instant application:

http://pls.upu.int/pls/ap/addr_public.display_addr?p_language=AN.³

(3) A description of the information contained within the materials claimed to be non-public in a manner that, without revealing the information at issue, would allow the Commission to thoroughly evaluate the basis for the claim that the information contained within the materials is non-public;

In connection with the Postal Service's Notice filed in this docket, the Postal Service includes the new rates, Governors' Decision authorizing the rates, EMS Pay-for-Performance ("PfP") service performance data, and supporting financial workpapers. The unredacted rates, Governors' Decision, performance data, and financial workpapers are being filed under seal, with a redacted copy filed publicly.

The redactions applied to the financial workpapers protect commercially

related to these materials on behalf of the foreign operators. Accordingly, the Postal Service identifies the individual above to provide such notices as applicable.

³ To the extent required, the Postal Service seeks a waiver from having to provide each foreign postal operator notice of these dockets. It is impractical to communicate with dozens of operators in multiple languages about this matter. Moreover, the volume of filings would overwhelm both the Postal Service and the applicable foreign postal operators with boilerplate notices.

sensitive information such as underlying costs and assumptions, volumes, pricing formulas, and cost coverage projections. The redactions to the PfP Plan and PfP Report Cards protect commercially sensitive information of the Postal Service and of third-party foreign postal operators, including the performance standards of the Plan and the Postal Service's actual performance thereunder. The redactions to the rate chart are applied to the actual prices established for 2019.

(4) Particular identification of the nature and extent of the harm alleged and the likelihood of such harm alleged to result from disclosure;

If the portions of the withheld materials that the Postal Service determined to be protected from disclosure due to their commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that the Postal Service would suffer commercial harm. Information about pricing is commercially sensitive, and the Postal Service does not believe that it would be disclosed under good business practice.

The financial workpapers concerning the EMS rates include specific information such as costs, assumptions used in pricing formulas, the formulas themselves, incoming volumes, and projections of variables. All of this information is highly confidential in a competitive business environment, and the Postal Service does not believe that it would be disclosed under good business practice. If the portions of the financial workpapers that the Postal Service determined to be protected from disclosure due to their commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that it would suffer commercial harm.

Competitors could use such information to assess the rates charged by the Postal Service to foreign postal operators for any possible comparative vulnerabilities and focus sales and marketing efforts on those areas. Likewise, competitors would be able to take advantage of the information to offer lower pricing to customers, which could include foreign posts because they are not required to use the Postal Service for delivery of EMS items destined to the United States. Unlike the Postal Service, its competitors can subsidize any product-specific losses with profits from other customers and products.

Competitors could also exploit the non-public service performance standards and data. Such information is commercially sensitive, as it may reveal the relative strengths and weaknesses of the Postal Service. Competitors would gain a competitive advantage that the Postal Service lacks, as it would not have access to the same type of data of those competitors.

Additionally, foreign postal operators or other potential customers could use costing information to their advantage in negotiating the terms of their own agreements with the Postal Service. Potential customers, including foreign posts, could also deduce from the rates provided in the work papers whether additional margin for net profit exists. From this information, each foreign postal operator or customer could attempt to negotiate ever-decreasing prices, such that the Postal Service's ability to negotiate competitive yet financially sound rates would be compromised. Given that these spreadsheets are filed in their native format, the Postal Service's assessment is that the likelihood that the information would be used in this way is great.

(5) At least one specific hypothetical, illustrative example of each alleged harm;

Harm: Public disclosure of information in the financial workpapers would be used by the Postal Service's competitors to its detriment.

Hypothetical: A competing package delivery service obtains a copy of the unredacted version of the financial workpapers from the Postal Regulatory Commission's website. The competitor analyzes the workpapers to determine what the Postal Service would have to charge its customers in order for the Postal Service to meet its minimum statutory obligations for cost coverage and contribution to institutional costs. The competing package delivery service then sets its own rates under that threshold for products similar to those that the Postal Service offers other posts and markets its ability to guarantee to beat the Postal Service on price for inbound EMS delivery. By sustaining this below-market strategy for a relatively short period of time, the competitor, or all of the Postal Service's competitors acting in a likewise fashion, would freeze the Postal Service out of the inbound EMS delivery market.

Harm: Foreign postal operators could use the information in the financials to undermine the Postal Service's position in negotiations concerning bilateral EMS charges.

Hypothetical: The disaggregated revenue, volume, and weights are disclosed to the public. Foreign postal operators obtain the information and use it to their advantage in negotiating bilateral EMS charges with the Postal Service in an effort to lower the rates charged for delivery of EMS in the United States.

Harm: Public disclosure of information in the financial work papers would be used by the EMS Cooperative members' competitors to the detriment of the EMS Cooperative members.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the financial workpapers from the Postal Regulatory Commission's website. The competitor analyzes the workpapers to assess the underlying costs for the corresponding products of the foreign postal operators. The competitor uses that information as a baseline to negotiate with U.S. customs brokers and freight companies to develop lower-cost alternatives. Alternatively, competitors of the foreign postal operators extract information regarding the volumes they are sending to the United States as a means of gaining market intelligence for targeting their own global expansion efforts.

Harm: Public disclosure of the data pertaining to the Postal Service's service performance could be used by its competitors to its competitive detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the service performance data from the Postal Regulatory Commission's website. The competitor passes this information along to its sales and marketing functions. The competitor then uses this performance information to develop plans to compete more effectively against the Postal Service and/or to develop comparative advertising.

(6) The extent of protection from public disclosure alleged to be necessary;

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant market for international expedited and parcels

products (including both private sector integrators and foreign postal operators), as well as their consultants and attorneys. Additionally, the Postal Service believes that actual or potential customers of the Postal Service for this or similar products (including other postal operators), as well as actual or potential customers of a postal operator or expedited/parcel integrator for this or similar products, should not be provided access to the non-public materials.

(7) The length of time for which non-public treatment is alleged to be necessary with justification thereof; and

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3007.401(a). However, because the Postal Service's relationships with postal operators often continue beyond ten years, the Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3007.401(b)-(c).

(8) Any other relevant factors or reasons to support the application.

None.

Conclusion

For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials.

Inbound EMS 2

Rate Structure & Rates to Become Effective January 1, 2019 (if approved)

	SDR Rate per item	SDR Rate per kilogram
(Base, non-discounted rate for any EMS Cooperative members) ¹	■	■
(Maximum discount rate for any EMS Cooperative members) ²	■	■

¹ EMS service would continue to require an EMS *operational* agreement with the U.S. Postal Service.

² This represents the maximum “pre-approved” discount rate that the U.S. Postal Service would be permitted to offer by agreement if the Commission approves the rates in this docket. As in currently the case, the U.S. Postal Service could also continue to seek to offer larger discount rates beyond this maximum on a bilateral or multilateral contract basis, but would still need to submit such larger discount contract rates to the Commission separately for approval, with adequate financial documentation to support them.

Certification of Prices for Inbound EMS 2

I, Steven R. Phelps, Manager of Regulatory Reporting and Cost Analysis, Finance Department, United States Postal Service, am familiar with the prices for Inbound EMS 2 to be in effect as of January 1, 2019. These prices were authorized by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued on March 22, 2011 (Governors' Decision No. 11-6).

I hereby certify that the numerical cost values underlying the new prices for Inbound EMS 2 are the appropriate costs to use in the formulas and represent the best available information. The prices, resulting in a cost coverage in excess of the minimum required by the Governors' Decision No. 11-6, are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). The prices demonstrate that Inbound EMS 2 should cover its attributable costs and preclude the subsidization of competitive products by market-dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Inbound EMS 2 should be even smaller. Inbound EMS 2 should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Steven Phelps

Digitally signed by Steven Phelps
DN: cn=Steven Phelps, o=Pricing and Costing,
ou=Pricing, email=steven.r.phelps@usps.gov,
c=US
Date: 2018.08.13 09:38:41 -04'00'

Steven R. Phelps

Date

RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE

DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON THE ESTABLISHMENT OF PRICES AND CLASSIFICATIONS FOR DOMESTIC COMPETITIVE AGREEMENTS, OUTBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, INBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, AND OTHER NON-PUBLISHED COMPETITIVE RATES (GOVERNORS' DECISION NO. 11-6)

March 22, 2011

STATEMENT OF EXPLANATION AND JUSTIFICATION

Pursuant to our authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices not of general applicability for certain of the Postal Service's competitive service offerings, and such changes in classification as are necessary to implement the new prices.

This decision establishes prices for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates. Domestic Competitive Agreements consist of negotiated service agreements with Postal Service customers for domestic services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Outbound International Competitive Agreements consist of negotiated service agreements with Postal Service customers for outbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Inbound International Competitive Agreements consist of negotiated service agreements with foreign postal operators or other entities for inbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Other Non-Published Competitive Rates consist of rates not of general applicability that are not embodied in contractual instruments, but nonetheless arise from other sources, such as the Universal Postal Convention.

RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE

Governors' Decision No. 11-6

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With respect to any product within the above categories, management is hereby authorized to prepare any necessary product description, including text for inclusion in the Mail Classification Schedule, and to present such product description to the Postal Regulatory Commission.

The Postal Accountability and Enhancement Act (PAEA) requires that prices for competitive products must cover each product's attributable costs, not result in subsidization by market dominant products, and enable all competitive products to contribute an appropriate share to the Postal Service's institutional costs. For agreements subject to this Decision, there are hereby established all prices that will cover [REDACTED] [REDACTED] costs for the relevant product and that conform in all other respects to 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3015.5 and 3015.7. As discussed in the accompanying management analysis, the Chief Financial Officer (or his delegate(s)) shall certify that all cost inputs have been correctly identified for prices subject to this Decision and that all prices subject to this Decision conform to this Decision and to the requirements of the PAEA.

No agreement, grouping of functionally equivalent agreements, or other classification authorized pursuant to this Decision may go into effect unless it is submitted to the Postal Regulatory Commission with a notice that complies with 39 U.S.C. § 3632(b)(3). On a quarterly basis, management shall furnish the Governors with a report on all non-published rate and classification initiatives. Not less than once each year, the Governors shall review the basis for this Decision and make such further determination as they may deem necessary. This Decision does not affect postal management's obligation to furnish to the Board of Governors information regarding any significant, new program, policy, major modification, or initiative, or any other matter under 39 C.F.R. § 3.7(d), including where such a matter also falls within the scope of this Decision.

RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE

Governors' Decision No. 11-6

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This Decision does not supersede or otherwise modify Governors' Decision Nos. 08-5, 08-6, 08-7, 08-8, 08-10, 08-20, 08-24, 09-5, 09-6, 09-7, 09-14, 09-15, 09-16, 10-1, 10-2, 10-3, 10-6, and 10-7, nor does it affect the validity of prices and classifications established under those Decisions. Management may also continue to present to the Postal Regulatory Commission for its review, as appropriate, rate and classification changes to succeed the minimum and maximum non-published rates in Decision Nos. 10-2 and 10-6.

ORDER

In accordance with the foregoing Decision of the Governors, the prices set forth herein for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates and the changes in classification necessary to implement those prices, are hereby approved and ordered into effect. An agreement is authorized under this Decision only if the prices fall within this Decision and the certification process specified herein is followed. Prices and classification changes established pursuant to this Decision will take effect after filing with and completion of review by the Postal Regulatory Commission.

By The Governors:



Louis J. Giuliano
Chairman

Attachment A

Management Analysis of Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates

This analysis concerns the inbound competitive prices and classifications in the Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (collectively, "competitive instruments"). Competitive instruments are often negotiated with customers and foreign postal operators for better cost coverage, higher overall contribution, and improved service with respect to postal services classified as competitive. They may also arise from other sources, such as the Universal Postal Convention.

The cost coverage for each competitive agreement or grouping of functionally equivalent instruments (collectively, each "product") will be [REDACTED]:

[REDACTED]

The cost coverage for a product equals [REDACTED]

[REDACTED]

[REDACTED]

Each competitive instrument may have multiple price categories and negotiated components. Examples of such categories or components would be Priority Mail, Express Mail, Parcel Return Service, Priority Mail International, Express Mail International, International Priority Airmail, International Surface Air Lift, Inbound Air Parcel Post, Inbound Surface Parcel Post, Inbound Direct Entry, and Inbound International Expedited Services. These or other categories may include other services that the relevant customer or foreign postal operator offers to its customers under differing terms, but that nevertheless are processed and delivered in the same manner within the United States Postal Service's network. Such instruments may also establish negotiated rates for services ancillary to such items and for customized competitive services developed for application solely in the context of the agreement.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]


[REDACTED]

[REDACTED]

Prices established by these formulas should not interfere with competitive products' ability as a whole to comply with 39 U.S.C. § 3633(a)(3), which, as implemented by (39 C.F.R. § 3015.7(c)) requires competitive products to contribute a minimum of 5.5 percent to the Postal Service's total institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise (39 U.S.C. § 3633(a)(1)).

**CERTIFICATION OF GOVERNORS' VOTE
IN THE
GOVERNORS' DECISION NO. 11-6**

I hereby certify that the Governors voted on adopting Governors' Decision No. 11-6, and that, consistent with 39 USC 3632(a), a majority of the Governors then holding office concurred in the Decision.



Julie S. Moore
Secretary of the Board of Governors

Date: 3/22/2011



Pay-for-performance Plan 2018

EMS Unit – EMS Cooperative

Berne, 1 January 2018



Article 1

Definitions

- a "Participating operator" means an EMS operator that is a member of the EMS Cooperative that is eligible to apply the EMS Pay-for-performance Plan, as provided in article 2, and that adheres to the provisions of the Plan.
- b "On-time transmission" means transmission of data related to [REDACTED]
- c "Delivery standards" means a definition of the delivery service provided in sufficient detail to allow EMS operators to understand the service offered and to schedule export dispatches. Delivery standards must be validated by the EMS Cooperative.
- d "Validated delivery standards" means delivery standards defined in a way that allows delivery performance measurement by the model used by the monitoring organization for the EMS Cooperative. The definition will be confirmed by the EMS Unit and the monitoring organization and agreed to by the participating operator.
- e "On-time delivery" means an attempted or successful delivery in accordance with a participating operator's validated delivery standards.
- f "Transmission of sufficient data in its EMS event messages" means transmission of [REDACTED]
- g Individual tracking event names refer to events specified in UPU Standard M40 – EMSEVT V3. Events should be transmitted in accordance with the "User guide for the use of tracking events of the UPU Standard M40 EMSEVT V3 for operations" and the "IT guide to the UPU Standard M40 EMSEVT V3 for the EMS Cooperative".

Article 2

Eligibility

- a An EMS operator that fulfils the requirements below shall be considered eligible to be a participating operator:
 - i membership of the EMS Cooperative;
 - ii use of the UPU standard EMS identifier and barcode on 100% of its outward EMS items;
 - iii transmission of sufficient data in its EMS event messages so that its delivery performance may be measured against its validated delivery standards;
 - iv obtainment of validated delivery standards by the EMS Unit.
- b Eligibility of an EMS operator to become a participating operator in this Plan shall be confirmed by the EMS Unit of the EMS Cooperative according to the procedure below:
 - i when an EMS operator fulfils all the requirements specified in article 2a, pay-for-performance reports are produced;
 - ii the EMS Unit shall analyze the first pay-for-performance report produced and shall notify the results of the analysis to the EMS operator;
 - iii once the EMS Unit has provided the EMS operator with the first pay-for-performance report analysis, it shall notify all EMS Cooperative members that the EMS operator is eligible to become a participating operator.

Article 3

Delivery charges

- a The EMS delivery charges applied by participating operators during a given year to EMS items delivered under the EMS Pay-for-performance Plan shall be those in effect on 1 January of that year.

- b A participating operator may only increase its EMS delivery charges by notifying the UPU International Bureau of the increase by 31 August of the year prior to that during which the increase will take effect. Participating operators may, however, reach bilateral agreements concerning delivery charges.

Article 4

Calculation of EMS inter-operator payments in the Pay-for-performance Plan

- a EMS inter-operator delivery payments shall be based on gross flows of EMS traffic between participants in the EMS Pay-for-performance Plan.
- b The gross flow of items containing documents and goods shall be calculated separately.
- c The percentage of the delivery charge to be applied between participating operators in the EMS Pay-for-performance Plan shall be based on [REDACTED]
- d If an item is presented to Customs, an EDB event, followed by an EDC event when the item is released from Customs, should be transmitted. Additionally, an EME event should always be transmitted in cases in which an item is held by import Customs.
- e [REDACTED]
- f [REDACTED]
- g The percentage of delivery charge paid for penalized items and the incentive threshold shall be as follows:

Year	Percentage delivery charge paid for penalized items below threshold	Threshold
2018 onwards	[REDACTED]	[REDACTED]

- h When an EMS operator applies the EMS Pay-for-performance Plan 2018, the percentage of the delivery charge, to be applied reciprocally, shall be as shown in the table below, notwithstanding items with import termination which shall be accounted separately:

EMD event	EDH/EMH/EMI event	On-time transmission of EDH/EMH/EMI event	On-time delivery	Percentage of delivery charge for items below the incentive threshold
[REDACTED]				

¹ According to table (article 4, item g.).

- i For EMS operators that apply the EMS Pay-for-performance Plan 2018, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- j In 2018, the minimum amount that a destination EMS operator shall receive is [REDACTED] of that EMS operator's EMS delivery charge. This relates to items that [REDACTED]
[REDACTED]
- k [REDACTED]
- l Each participating operator applying the EMS Pay-for-performance Plan shall receive a quarterly payment document showing the number of items for which the EMD and delivery events were transmitted, the number of items delivered in accordance with each participating operator's validated delivery standards, and the number of items for which EDH, EMH, and EMI events were transmitted on time.
- m If a participating operator pays a separate delivery charge for documents and for goods, it shall transmit the necessary data, PREDES message version 2, including enough information to distinguish between documents and goods so that a separate quarterly payment document for documents and goods items may be produced. If the participating operator does not transmit the necessary data to produce a separate quarterly payment document for documents and goods items, all items shall be considered as goods.
- n Any two participating operators which have agreed bilaterally on a per item per kilogramme rate for either one or both operators shall settle the per item component of the rate quarterly following normal pay-for-performance procedures. The per kilogramme component of the rate shall be settled annually, using methods agreed bilaterally by both participating operators.
- o Two EMS operators with only unilateral traffic may also choose to enter this Pay-for-performance Agreement, in which case the Pay-for-performance Plan 2018 shall be applied in its current form to settle accounts between them.
- p Two EMS operators exchanging [REDACTED] may agree bilaterally to forgo quarterly accounting and elect to carry out the accounting on an annual basis. Annual accounting shall be carried out using the four quarterly invoices, however only one annual settlement shall be made.

Article 5

Delivery standards

- a Participating operators may revise their validated delivery standards [REDACTED]
- b Participating operators wishing to revise their validated delivery standards should present the new standards to the EMS Unit for revalidation, using the revalidation package published on the EMS Cooperative website (www.ems.post).
- c The EMS Unit shall work with the participating operator to complete the revalidation, which shall be carried out once the participating operator has signed and returned the acceptance form for the new validated delivery standards.
- d The implementation of the new validated delivery standards shall be carried out at the start of the month following the acceptance of the new validated delivery standards.
- e New validated delivery standards can only be implemented on the first of each month.
- f The validated delivery standards for each designated office of exchange in the EMS Operational Guide must cover the entire area of the country (or territory of an EMS operator) to which EMS items are delivered.
- g The participating operator agrees to send EMS items only to offices of exchange designated for the receipt of EMS dispatches in the EMS Operational Guide consistent with the UPU IMPC list and for which delivery standards have been validated. EMS items that arrive at non-designated offices of exchange shall be sent to designated offices of exchange for the scanning of the EMD event.

- h The following data must be transmitted for the validation of the delivery standards:
- tracking event code;²
 - item identifier;
 - destination EMS operator;
 - office of exchange code;
 - date;
 - time;
 - delivery office ID (e.g. postcode, delivery office depot, province code or other appropriate code identifying the delivery zone).
- i The "delivery zone" refers to geographic areas where EMS items are delivered on a given day. For example, areas where items are delivered on their day of arrival at the destination office of exchange constitute one delivery zone, while areas where items are delivered the following day constitute a separate delivery zone.

Article 6

Accounting procedures

- a EMS operators participating in the EMS Pay-for-performance Plan shall apply the following procedures to their quarterly settlement and payment of accounts:
- b Delivery charges to be applied are described in article 3 of the EMS Pay-for-performance Plan.
- c Quarterly payment documents, produced by the monitoring organization chosen by the EMS Cooperative to provide data and reports for the EMS Pay-for-performance Plan, shall be the basis for EMS inter-operator payments in respect of the EMS Pay-for-performance Plan.
- d The supporting documentation will be in the following tables produced by the monitoring organization chosen by the EMS Cooperative to provide data and reports to the EMS Pay-for-performance Plan as part of the EMS Cooperative's Pay-for-performance Plan:

<i>Table</i>	<i>Name</i>
1a	Diagnostic report – Inbound EMS document items
1b	Diagnostic report – Outbound EMS document items
1c	Diagnostic report – Inbound EMS goods items
1d	Diagnostic report – Outbound EMS goods items
2a	Diagnostic report – Inbound EMS items
2b	Diagnostic report – Outbound EMS items
2c	Explanatory report
2d	Explanatory report
3a	Monthly accounting preview document/Quarterly accounting document

- e All of these tables shall be produced monthly.
- f The monitoring organization chosen by the EMS Cooperative to provide data and reports for the EMS Pay-for-performance Plan shall provide all the pay-for-performance documents electronically to the EMS Unit in Berne, which shall be responsible for distributing the reports to the EMS operators. Monthly documents shall be received by the EMS Unit up to the 20th day of the month following the month for which the reports are produced. Quarterly documents shall be received by the EMS Unit up to the 30th day of the month following the quarter for which the reports are produced.

² Tracking event code is defined in standard 2 of the EMS standards and in the UPU standard M 40 – EMSEVT V3.

- g The reports shall include event data received by the monitoring organization chosen by the EMS Cooperative to provide data and reports for the EMS Pay-for-performance Plan by the 10th day of the month following the month for which the reports are produced.
- h The EMS Unit shall, in turn, e-mail the pay-for-performance documents to participating operators two working days after receiving the pay-for-performance reports. At the same time, the monitoring organization chosen by the EMS Cooperative to provide data and reports for the EMS Pay-for-performance Plan shall make the flat files available with supporting data and inform the EMS Unit accordingly. The EMS Unit shall then inform each participating operator of the availability of the flat files.
- i From the date of receipt of the monthly reports and quarterly payment documents from the EMS Unit, each participating operator shall have 30 days to raise questions concerning the data.
- j Upon receiving the quarterly payment document, each EMS operator shall:
 - verify the amounts in the quarterly payment document; and
 - determine with which EMS operator it is a net creditor.
- k In cases where the EMS operator is a net creditor, it shall create an invoice in the same format as the quarterly payment document, and shall send the signed invoice within 14 days of receiving the quarterly payment document from the EMS Unit (this may be accomplished by inserting page breaks in the Excel file containing the payment document and printing the individual pages).
- l The net debtor EMS operator to which the invoices are sent shall verify the information on the invoices and either send the signed invoice to the net creditor EMS operator, or communicate its proposed amendments within 14 days of receiving the invoice.
- m The net debtor EMS operator shall pay invoices within 60 days after they are accepted. The method of payment shall be agreed between participating operators.

Article 7

Exchange of event data

Each participating operator agrees to receive all tracking event data transmitted by all other participating operators with which it applies this Plan.

Article 8

Application of provisions of bilateral EMS agreements

The multilateral or bilateral EMS agreements in force between participating operators that apply the Plan with one another shall be applicable, by analogy, in all cases not expressly governed by this Plan.

Article 9

Entry into force and duration

- a The provisions of this Plan shall enter into force on 1 January 2018.
- b Either participating operator may terminate this Agreement by giving three months' notice of termination. The termination shall be effective 31 December of the year in which timely notice of termination is given.
- c Operators previously participating in the Pay-for-performance Plan will automatically participate under this version of the Plan, without making further agreements with current partners. Only operators not agreeing to continue participation under this version of the Pay-for-performance Plan will contact their partners in this regard.

Article 10

Bilateral implementation of the Pay-for-performance Plan between partners

- a Once an EMS operator has completed the steps towards becoming eligible to be a participating operator, it should contact any other EMS operator with which it wishes to enter the Pay-for-performance Plan. The two participating operators must agree from which quarter the agreement will be implemented.
- b Both participating operators shall choose their preferred method for establishing a legally binding agreement related to their adhesion to the Pay-for-performance Plan. Both participating operators must complete the Pay-for-performance Partners Agreement form (Attachment 2) and return it to the EMS Unit in order to inform the EMS Unit of the agreement. Once the EMS Unit has received this form from both operators, it is confirmed for reporting purposes that these two operators are partners in the Pay-for-performance Plan.

Article 11

Multilateral implementation of the Pay-for-performance Plan between partners

- a An EMS operator which intends to sign the Pay-for-performance Plan multilaterally shall, once it has completed the necessary steps towards becoming eligible to be a participating operator, complete the Pay-for-performance Multilateral Agreement form (Attachment 3) and return it to the EMS Unit. On this form, the operator shall indicate the quarter from which it intends to implement the agreement.
- b Upon receipt of the completed and signed form, the EMS Unit shall confirm the addition of the EMS operator as a signatory of the Multilateral Pay-for-performance Agreement and inform all current signatories of the new signatory.

Article 12

Disputes

In the event of disputes among participating operators resulting from different interpretations of the Plan, participants may present the circumstances of the dispute to the EMS Unit. The EMS Unit and Pay-for-performance Team will facilitate in the interpretation and clarification of the aspects of the Plan which are in dispute. If the dispute cannot be resolved with the facilitation of the EMS Unit and the Pay-for-performance Team, the participants may present the circumstances of the dispute to the EMS Board to facilitate the interpretation and clarification of the aspects of the EMS Pay-for-performance Plan in dispute. If the dispute still cannot be resolved, the participants may use the existing UPU arbitration process outlined in the Acts of the Union (Constitution and General Regulations) to resolve the dispute, provided that the arbitrators are participating operators in the EMS Pay-for-performance Plan.

Article 13

Force majeure

- a A participating operator shall not be liable for any penalties under the Plan if it fails to perform any of its obligations under the Plan insofar as it complies with article 14:
 - i the failure was due to an impediment beyond its reasonable control;
 - ii the participating operator could not reasonably be expected to have taken the impediment, and its effect upon its ability to perform, into account at the time of entering the Pay-for-performance Agreement; and
 - iii it could not have reasonably avoided or overcome such an impediment, or at least its effects.
- b An impediment, within the meaning above, could result from events including the following:
 - i war, whether declared or not, civil war, riots and revolutions, acts of piracy, acts of sabotage, acts of terrorism;
 - ii natural disasters, such as violent storms, cyclones, volcanic activity, earthquakes, tidal waves, floods, destruction by lightening;

- iii explosions, fires, destruction of machines, of factories, and of any kind of installations;
- iv acts of authority, whether lawful or unlawful, apart from acts for which the party seeking relief has assumed risk by virtue of other provisions of the Agreement; and apart from the matters mentioned in paragraph c below.
- c For the purposes of paragraph a above, and unless otherwise provided for in the Plan or bilateral agreement, impediment does not include lack of authorizations, of licences, of entry or residence permits, or of approvals necessary for the performance of the Plan; nor does it include strikes or other industrial action (which are covered by section d below).
- d The definition of a strike, for the purposes of this document, is the serious interruption of normal operations due to industrial action. External strike:
 - i An external strike is a strike which does not involve the participating operator itself but nevertheless affects that participating operator's ability to handle EMS items or provide on-time transmission of EMS items. If an external strike takes place, the participating operator can claim an exemption from any penalties that may otherwise apply under the Plan for a period extending from the beginning of the external strike until two days after being notified of its conclusion.
 - ii After an external strike, any other participating operator facing an increase in the volume of EMS items received from the participating operator affected by the external strike can apply for an exemption from any penalties that may otherwise apply under the Plan, for the first two days after the external strike.
- e [REDACTED]

Article 14

Application of force majeure

- a Application of force majeure under article 13 b and d:
 - i The EMS Unit shall confirm in each case whether the force majeure shall be applied, in accordance with the rules.
 - ii Any failure to inform the EMS Unit within the timeframe defined below will be reason for non-application of the force majeure, in which case reports will not be re-run.
 - iii The EMS operator shall notify the EMS Unit within 24 hours of the incident.
 - iv The EMS Unit shall provide this information to all EMS operators.
 - v When the service is resumed, the EMS operator shall inform the EMS Unit within 24 hours from the moment that the service went back to normal.
 - vi The EMS Unit shall provide the information to all EMS operators.
 - vii For reporting purposes, the days and/or the area where the EMS service was disrupted shall be excluded from the performance calculation.
 - viii In the case that the disruption occurs close to the end of the month and continues beyond the cut-off date for the reports, thereby affecting two or more months, the EMS operator shall contact the EMS Unit by the last day of the month and by the 10th of the following month reconfirming that the problem still exists and that actions are being taken to resolve it. The relevant reports shall discount these days in the current month and in the following one.
 - ix The above process shall also be applied if the disruption only affected one part of the national coverage. However, in this case, the EMS operator shall make clear to the EMS Unit what areas are affected and their respective delivery office codes, which will be excluded from the measurement during the period of disruption.
- b Application of force majeure in respect of article 13 e:
 - i [REDACTED]
 - ii [REDACTED]

- [REDACTED]
[REDACTED]
- [REDACTED]
- [REDACTED]
[REDACTED]
- [REDACTED]
- [REDACTED]
[REDACTED]

Anomalies

1 Anomalies for which no payments are applied

No.	Anomaly	Description	Payment applied for items below the threshold and reason
1	Missing EMD events	If an EDH, EMH, or EMI event is transmitted and no EMD event is transmitted over the reporting period, performance measurement is not possible.	

2 Anomalies for which reduced payments are applied

No.	Anomaly	Description	Payment applied for items below the threshold and reason
1	No office of exchange (OE) code or invalid OE code	If the OE code in the EMD event is not transmitted, or if the OE code transmitted is not defined in the definition tables, performance measurement against the validated delivery standards is not possible.	
2	No delivery office or invalid delivery office ID (delivery zone indicator)	If the information required to identify the delivery zone in the EDH/EMH/EMI event is not transmitted, performance measurement against the validated delivery standards is not possible.	
3	Events out of sequence	If the date or time of the EDH/EMH/EMI event is earlier than the date or time of the EMD event, performance measurement is not possible.	

Pay-for-performance partners agreement form

EMS operators entering into the agreement:

<i>Year/quarter</i>	<i>Percentage of delivery charge paid for penalized items below threshold</i>	<i>Threshold</i>

Partner 1

I, as a representative of (EMS operator) _____, hereby agree that my organization will participate in the EMS Pay-for-performance Plan under the above-stated conditions.

Date: _____ Signature: _____

Partner 2

I, as a representative of (EMS operator) _____, hereby agree that my organization will participate in the EMS Pay-for-performance Plan under the above-stated conditions.

Date: _____ Signature: _____

Please return to:

EMS Unit
International Bureau
Universal Postal Union
Weltpoststrasse 4
P.O. Box 312
3000 BERNE 15
SWITZERLAND

Fax: +41 31 351 52 00
E-mail: EMS.Unit@upu.int

Multilateral Pay-for-performance Agreement form

EMS operator entering into the Agreement:

Quarter/year of implementation:

The EMS operator of _____ hereby undertakes to adopt the Multilateral Pay-for-performance Agreement. The Pay-for-performance Plan, as a multilateral agreement accepted by all EMS Cooperative members which are signatories to it, shall normally form the legal basis for the settlement of accounts between the signatories without any further requirement for the exchange of bilateral pay-for-performance agreements between parties to the Multilateral Pay-for-performance Agreement.

Date: _____ Signature: _____

EMS operator signatories of the Multilateral Pay-for-performance Agreement

The list of signatories of the Multilateral Pay-for-performance Agreement is published on the EMS Cooperative website.

Please return to:

EMS Unit
International Bureau
Universal Postal Union
Weltpoststrasse 4
P.O. Box 312
3000 BERNE 15
SWITZERLAND

Fax: +41 31 351 52 00

E-mail: EMS.Unit@upu.int



EMS Cooperative Report Cards

Prepared by PwC

EMS Operator
United States of America

Year
2017
Annual Individual Card



Export, Transport and Delivery Performance						Tracking and Customs						EMS Customer Service										
Indicator	Q1	Q2	Q3	Q4	Annual	Indicator	Q1	Q2	Q3	Q4	Annual	Indicator	Q1	Q2	Q3	Q4	Annual					
On-time export						On-time transmission						Customer Service response quality										
Late export						Full Track and Trace						Phone answered within 20 sec										
Anomalies export						EMA over EMC						E-mail answered										
						EMD over EMC																
On-time transportation (as origin)						EDC over EDB/EME																
Late transport						EDH/EMH/EMI over EMD																
Anomalies transport						RESDES over PREDES																
On-time delivery						PREDES over number of partners																
Late delivery						RESCON over PRECON																
No delivery information						CARDIT sent	Yes	Yes	Yes	Yes	Yes	Signatory of the PFP multilateral	No	No	No	No	No					
Anomalies delivery						RESBIT received	Yes	Yes	Yes	Yes	Yes	Participation in the PFP	Yes	Yes	Yes	Yes	Yes					
						Send and receive ITMATT	Yes	Yes	Yes	Yes	Yes	EMSEVTV3 evaluation	No	No	No	No	No					
						Overall customs score	██	██	██	██	██	Operational Guide update	Yes	Yes	Yes	Yes	Yes					
Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the data												Results based on information provided by the EMS Unit. PwC is not responsible for the data shown in the results.										
												EMS Service Information										

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the data shown in the results.

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

Results based on information provided by the EMS Unit. PwC is not responsible for the data shown in the results.

Results based on information provided by the EMS Unit using procedures validated by PwC.





EMS Cooperative Report Cards

Prepared by PwC

EMS Operator
United States of America

Period
1. Quarter 2018
Aggregate Report Card



Export, Transport and Delivery Performance

Indicator	Current result	Last quarterly result	Current global result
On-time export			
Late export			
Anomalies export			
On-time transportatio (as origin)			
Late transport			
Anomalies transport			
On-time delivery			
Late delivery			
No delivery information			
Anomalies delivery			

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the

Tracking and Customs

Indicator	Current result	Last quarterly result	Current global result
On-time transmission			
Full Track and Trace			
EMA over EMC			
EMD over EMC			
EDC over EDB			
EDH/EMH/EMI over EMD			
RESDES over PREDES			
PREDES over number of partners			
RESCON over PRECON			
CARDIT sent	Yes	Yes	
RESBIT received	Yes	Yes	
Send and receive ITMATT	Yes	Yes	
% of outbound items with ITMATT			

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

EMS Customer Service

Indicator	Current result	Last quarterly result	Current global result
Customer Service response quality			
Phone answered within 20 sec			
E-mail answered			

Results based on information provided by the EMS Unit. PwC is not responsible for the data shown in the results.

EMS Service Information

Indicator	Current result	Last quarterly result	Current global result
Export volume growth			
Inbound traffic in PFP			
Outbound traffic in PFP			
Signatory of the PFP multilateral	No	No	
Participation in the PFP	Yes	Yes	
EMSEVTV3 evaluation	No	No	
Operational Guide update	Yes	Yes	

Results based on information provided by the EMS Unit using procedures validated by PwC.





EMS Cooperative Report Cards

Prepared by PwC

EMS Operator
United States of America

Period
2. Quarter 2018
Aggregate Report Card



Export, Transport and Delivery Performance

Indicator	Current result	Last quarterly result	Current global result
On-time export			
Late export			
Anomalies export			
On-time transportatio (as origin)			
Late transport			
Anomalies transport			
On-time delivery			
Late delivery			
No delivery information			
Anomalies delivery			

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the

Tracking and Customs

Indicator	Current result	Last quarterly result	Current global result
On-time transmission			
Full Track and Trace			
EMA over EMC			
EMD over EMC			
EDC over EDB			
EDH/EMH/EMI over EMD			
RESDES over PREDES			
PREDES over number of partners			
RESCON over PRECON			
CARDIT sent	Yes	Yes	
RESBIT received	Yes	Yes	
Send and receive ITMATT	Yes	Yes	
% of outbound items with ITMATT			

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

EMS Customer Service

Indicator	Current result	Last quarterly result	Current global result
Customer Service response quality			
Phone answered within 20 sec			
E-mail answered			

Results based on information provided by the EMS Unit. PwC is not responsible for the data shown in the results.

EMS Service Information

Indicator	Current result	Last quarterly result	Current global result
Export volume growth			
Inbound traffic in PFP			
Outbound traffic in PFP			
Signatory of the PFP multilateral	No	No	
Participation in the PFP	Yes	Yes	
EMSEVTV3 evaluation	No	No	
Operational Guide update	Yes	Yes	

Results based on information provided by the EMS Unit using procedures validated by PwC.

